

CONVERDYN^{News} Wire – MARCH 2004

An up-to-date information bulletin on the nuclear fuel cycle

Our Mission: We will be the premier provider of nuclear fuel cycle services with customer satisfaction as our primary focus – Unique, Innovative and Successful.

March 11, 2004

UPDATE ON METROPOLIS UF₆ OPERATIONS

The Metropolis conversion plant continues to implement the necessary remedial actions for a safe re-start of UF₆ operations after the December 22, 2003 UF₆ release that resulted in the present shutdown. Inspectors from the Nuclear Regulatory Commission (NRC) have been visiting the plant almost weekly to monitor progress in training of operators, updating of procedures, installation of new equipment and testing of all equipment as well as compliance with NRC and other governmental regulations.

Representatives from the Metropolis plant are scheduled to meet with the local community along with members of the local emergency response squads today, March 11, 2004, to introduce the new emergency communications equipment and demonstrate how such communications will be handled in the future.

Another meeting is scheduled with the NRC and the local community on March 18, 2004 at the Massac County Courthouse in Metropolis to obtain approval for the phased startup of unit operations. After this meeting the NRC will conduct a final Readiness Assessment with Metropolis personnel. Honeywell now anticipates that the front end of UF₆ operations will be allowed to start during the week of March 22, 2004 with phased startup of the remaining stages of the process completed during the week of March 29, 2004 so that the first full cylinders of UF₆ will become available during the week of April 5, 2004.

ConverDyn anticipates that revised delivery schedules for all customers and to all enrichment locations served by the Metropolis UF₆ facility will be available by the end of April 2004. While ConverDyn has attempted to mitigate the effect of this extended UF₆ production outage by delivery deferrals, purchase of conversion services and loan of UF₆ it will take approximately two years to return to normal contractual delivery lead times. This is because of the time required to recover from the complete depletion of ConverDyn inventories around the world during the shutdown of UF₆ operations in 2003 and early 2004. ConverDyn would like to thank all its customers and other partners for their considerable patience and proactive approach in helping the industry adjust to this period of production stoppages at the Metropolis conversion facility.

####

In order to keep our customers, suppliers and friends current on important timely topics that require immediate communication – we send out the ConverDyn^{News} Wire periodically. Comments and suggestions are welcomed as always